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OO RUEHDBU RUEHIK RUEHLN RUEHVK RUEHYG
DE RUEHKV #1076 1281048
ZNR UUUUU ZZH
O 081048Z MAY 07
FM AMEMBASSY KYIV
TO RUEHC/SECSTATE WASHDC IMMEDIATE 2223
INFO RHEBAAA/DEPT OF ENERGY WASHINGTON DC
RUCPDOG/DEPT OF COMMERCE WASHDC
RUCNCIS/CIS COLLECTIVE
RUEHZG/NATO EU COLLECTIVE
RUEHBI/AMCONSUL MUMBAI 0032

UNCLAS KYIV 001076

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DEPT FOR EB/ESC/IEC RGARVERICK
DOE PLEASE PASS TO LEKIMOFF, CCALIENDO
MUMBAI FOR KLEIN

E.O. 12958: N/A

TAGS: [ENRG](#) [EPET](#) [ECON](#) [UP](#)

SUBJECT: UKRAINE: GAS PIPELINE EXPLODES--SUPPLIES TO E.U. STABLE

¶1. On May 7 a large explosion hit the Urengoy-Pomary-Uzhgorod natural gas pipeline in the Tarashcha Region, about 100 km south of Kyiv, at 14:12 p.m. The explosion took out 30 m of the pipeline built in 1983, which is capable of shipping more than 30 billion cubic meters of Russian gas annually to countries in the EU. Officials from the state-owned gas pipeline company, Ukrtranshaz, immediately shut off the gas to the affected area and rerouted the E.U.-destined gas through other pipelines. An interagency meeting was held today to investigate possible causes of the explosion.

¶2. Ihor Ponomarenko, Director of Foreign Relations for Ukrtranshaz, told us that gas was rerouted through the Progress and Soyuz pipelines, but was unable to say when the damaged portion of the pipeline would be repaired. Russian language newspapers, however, have quoted an unnamed Ukrtranshaz official as stating the repairs could take a week. The Ministry of Emergencies reported that the explosion caused a fire that was extinguished within two hours and but that there were no reported injuries from the blast. Although gas supply to the EU has been virtually uninterrupted, over 32 villages in the region around the blast remain without gas. Ukraine's national oil and gas company, NaftoHaz, promised to have supplies to villages restored by May 9.

¶3. The Ukrainian press also reported that EU Energy Commissioner Andris Piebalgs spoke on the phone with Ukrainian Fuel and Energy Minister Yuri Boiko, and was assured by Boiko that gas supplies to Europe will not be suspended. Boiko said that in addition to re-routing gas supplies, Ukraine would use underground gas supplies, if needed, to ensure uninterrupted gas flows to the E.U. (Comment: Ukraine's gas storage facilities are primarily located in the western part of the country, so their capability to supply European customers, if needed, would be unaffected by this blast located farther to the east.)

¶4. Minister of Transportation and Communications Mykola Rudkovsky and Speaker of Parliament Oleksandr Moroz both suggested that the explosion may have been connected to a recent train derailment near Kyiv and could be politically-motivated sabotage intended to destabilize Ukraine. No other officials have publicly offered this opinion. Energy experts hypothesized, that since the explosion occurred near the Stavyshche Compressor Plant, it is possible that a spark from the compressor caused the explosion, and neglected maintenance and corroded pipes may well have contributed to the blast. A Gazprom spokesperson stated that the investigation was a Ukrainian matter and expressed confidence the Ukrainians authorities would determine the cause of the explosion soon.

TAYLOR